

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 24-12480 (LSS)
)
) (Jointly Administered)
)

NOTICE OF FILING OF PLAN SUPPLEMENT

PLEASE TAKE NOTICE THAT on February 21, 2025, the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) entered an order [Docket No. 1019] (the “Disclosure Statement Order”): (a) authorizing the above-captioned debtors and debtors in possession (collectively, the “Debtors”) to solicit votes on the *Sixth Amended Joint Chapter 11 Plan of Franchise Group, Inc. and Its Debtor Affiliates* [Docket No. 1015] (as modified, amended, or supplemented from time to time, the “Plan”);² (b) approving the *Disclosure Statement for the Sixth Amended Joint Chapter 11 Plan of Franchise Group, Inc. and Its Debtor Affiliates* [Docket No. 1014] (as modified, amended, or supplemented from time to time, the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages; (d) approving procedures for soliciting, receiving, and tabulating votes on

¹ The Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy’s Newco, LLC (5404), Buddy’s Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies “Plus”, LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors’ headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

² Capitalized terms used but not otherwise defined herein have the same meaning as ascribed to them in the Plan.

the Plan; (e) establishing certain deadlines to opt in to the releases set forth in the Plan; (f) scheduling the Confirmation Hearing (as defined below) and establishing related notice and objection procedures; and (e) granting related relief.

PLEASE TAKE FURTHER NOTICE THAT as contemplated under the Plan and the Disclosure Statement Order, the Debtors hereby file certain documents (which remain subject to ongoing negotiations among the Debtors and interested parties in accordance with the Plan, as may be modified, amended, or supplemented from time to time) comprising the Plan Supplement.

PLEASE TAKE FURTHER NOTICE THAT the Debtors reserve all rights, subject to all applicable consultation, approval, and/or consent rights of any applicable counterparties contained or contemplated under the Plan, to alter, amend, modify, or supplement the Plan Supplement and any of the documents attached hereto in accordance with the terms of the Plan. The final version of any such document may contain material differences from the version filed herewith.

PLEASE TAKE FURTHER NOTICE THAT that the documents contained in the Plan Supplement are integral to, and are considered part of, the Plan. If the Plan is approved, the documents contained in the Plan Supplement will be approved by the Bankruptcy Court pursuant to the order confirming the Plan.

PLEASE TAKE FURTHER NOTICE THAT the hearing at which the Bankruptcy Court will consider Confirmation of the Plan (the “Confirmation Hearing”) will commence on **May 12, 2025, at 10:00 a.m., prevailing Eastern Time**, subject to the Bankruptcy Court’s availability, before the Honorable Judge Laurie Selber Silverstein, in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 6th Floor, Courtroom #2, Wilmington, Delaware 19801. The Confirmation Hearing may be adjourned from time to time without further notice, except noting such in an agenda filed on the docket of the Debtors’ Chapter 11 Cases in accordance with the Bankruptcy Court’s procedures.

PLEASE TAKE FURTHER NOTICE THAT the deadline for filing objections to confirmation of the Plan is **April 23, 2025, at 5:00 p.m., prevailing Eastern Time** (the “Objection Deadline”). Objections to confirmation of the Plan, if any, *must*: (a) be in writing; (b) state the name and address of the objecting party and the amount and nature of the Claim or Interest of such party; (c) state with particularity the legal and factual basis and nature of any objection; and (d) be filed, together with proof of service, with the Bankruptcy Court and served upon counsel to the Debtors, the U.S. Trustee, counsel to the DIP Agent, counsel to the DIP Lenders and Ad Hoc Group of First Lien Lenders, counsel to the ABL Lenders, counsel to the Second Lien Term Loan Lenders, counsel to the HoldCo Lenders, and counsel to the Creditors’ Committee so that they are actually received no later than the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT copies of the Disclosure Statement, the Plan, the Plan Supplement, or related documents are, or will be, available for review free of charge at the Debtors’ restructuring website: <https://cases.ra.kroll.com/FRG> by clicking on the link on the left-hand side of the website landing page titled “Plan and Disclosure Statement.” In addition, copies of the Disclosure Statement, the Plan, the Plan Supplement, or related documents are available upon written request to the Debtors’ solicitation agent, Kroll Restructuring

Administration LLC (the “Solicitation Agent”), at Franchise Group, Inc. Ballot Processing Center, c/o Kroll Restructuring Administration LLC, 850 3rd Avenue, Suite 412, Brooklyn, NY 11232.

ARTICLE XII OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, AND **SECTION 12.3 OF THE PLAN CONTAINS A THIRD-PARTY RELEASE**. THUS, YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MIGHT BE AFFECTED THEREUNDER.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE SOLICITATION AGENT.

Dated: March 26, 2025
Wilmington, Delaware

/s/ Allison S. Mielke

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